

My People Fund Evaluation: Final Report



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Key Findings

From a one-year longitudinal evaluation of the My People Fund, a cash transfer program to help in the recovery of survivors of the November 2016 wildfires in Gatlinburg, TN, the following are key takeaways.

- The majority of respondents have moved back into their original housing type whereby the proportion of homeowners and renters in April 2017 reflects the same proportion just before the fires.
- Household incomes of the sample are considerably lower than the median for the area and housing cost burdens are high. This indicates that at least half of survivors are paying an unsustainable portion of their income for housing.
- Despite receiving \$1,000 per month for 5 months and a \$5,000 cash transfer at the end of the program, recipients maintained employment and their regular work hours.
- Reported savings rates and amounts of savings to weather a future financial emergency increased substantially from the first to second observation.
- There was a sharp increase in reported symptoms of depression and anxiety in the sample. However, there was a parallel rise in reported treatment-seeking behaviors for those symptoms.
- The sample indicated that cash was the most helpful form of support to aid in their recovery. With this, this study concludes that cash transfers may be an important, albeit underutilized approach to recovery following a natural disaster.

Background

On November 28, 2016, wildfires in Gatlinburg, TN, destroyed approximately 1,300 residences leaving local families in emotional and economic crisis. Already impacted by median household incomes lower than the state and nation, families who lost or sustained considerable damage to their homes contended with an uncertain financial future marked by time spent negotiating housing options, taking temporary leaves from work, and attending to the needs of their families and community. The City of Gatlinburg, surrounding communities, local foundations, churches, and national relief agencies organized their efforts to address community needs.

As part of that effort, The Dollywood Foundation launched the My People Fund. Dolly Parton and the My People Fund, pledged to provide \$1,000 per month for six months to each family who lost their home—a generous and admirable pledge that reflected the spirit and culture of this Appalachian region. In keeping with their commitment to

distribute the nearly \$11 million directly to families who lost their homes, the My People fund distributed \$5,000 final checks in May 2017. The remaining \$3 million held by the My People Fund has been donated to Mountain Tough, a community agency created to respond to the ongoing needs of families.

The Dollywood Foundation identified approximately 900 families eligible for assistance through linking addresses provided by applicants to damage maps provided by local officials. On the first day of distribution of funds in December 2016, the foundation provided 885 families with immediate cash assistance. At each following distribution, nearly 1000 families received assistance, as well as information from Mountain Tough, and gifts and donations from community businesses and organizations.

Methods

In collaboration with the My People Fund, the University of Tennessee College of Social Work has collected and released preliminary information related to the overall wellbeing of My People Fund recipients. This quantitative evaluation uses a longitudinal approach, collecting data from voluntary participants of the My People Fund via a collaboratively developed questionnaire. The first questionnaire was fielded in April 2017 and was repeated in December 2017. It is important to note that data presented in this report were collected in April 2017 from approximately 100 participants before they received the final \$5,000 donation from the My People Fund. During the second round of data collection, 78 respondents completed the survey. Some individuals that completed the first survey did not complete the second. And, some that completed the second did not complete the first. Thus, we present demographic comparisons of each sample in the first section of the report.

The primary goal of this evaluation is to determine if and to what extent recipients of the My People Fund disbursements experienced positive impacts in their social, emotional, physical, and financial lives. For their participation in the first and second survey, participants were given a \$10 e-gift card.

Demographics

At both observation points, April 2017 and December 2017, the average age of respondents was 49 years. The gender distribution, however, changed slightly from the first to second observation. As shown in Figure 1, women comprised 68% of the sample in April, but only 59% of the sample in December. The racial and ethnic composition of the sample remained constant. At both time points, approximately 2% of the sample identified as Hispanic/Latinx, 2% reported Native American or American Indian as their primary race, 2% were Asian or Pacific Islander, 94% reported White.

GENDER OF RESPONDENTS

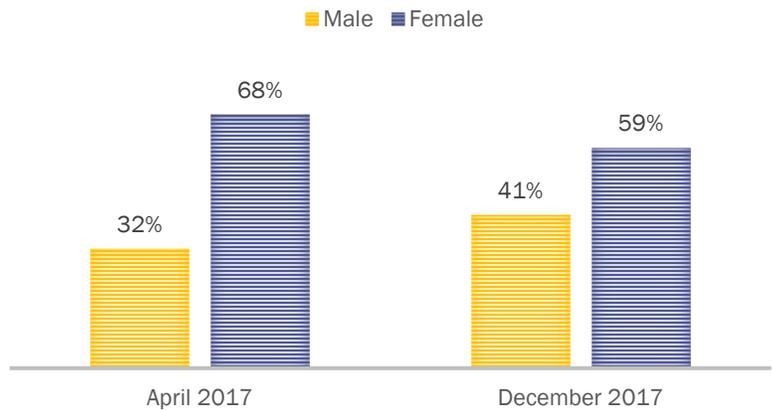


Figure 1: Gender of respondents

Just over one-third of the respondents had a high school diploma or the equivalent, and over half reported a 2 year college degree or higher at both observation points.

EDUCATIONAL ATTAINMENT

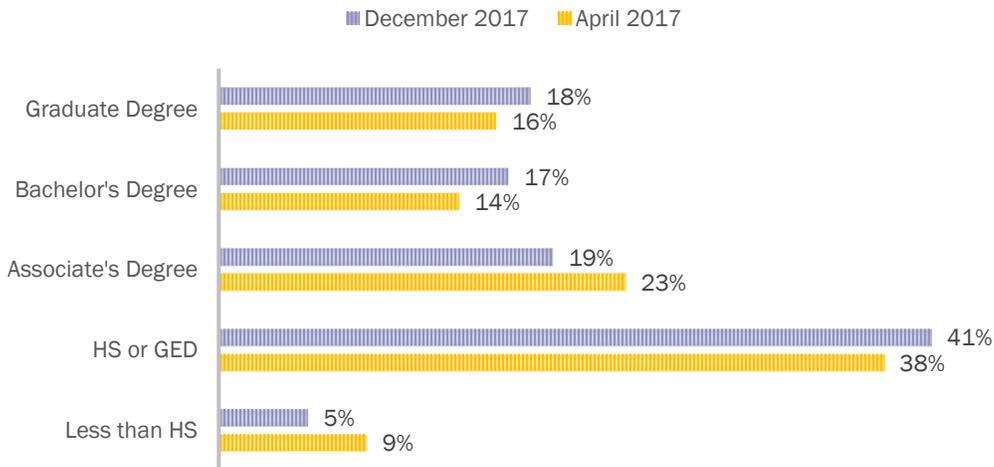


Figure 2: Educational attainment of respondents

Additionally the majority of respondents were married or partnered at both observation points, 69% in April 2017, and 66% in December of 2017. The only appreciable difference between the two samples appears to be related to monthly

income. An in-depth analysis of this differences appears in the in the financial section of this report.

Housing

To better understand family types represented in the sample, respondents were asked about their living situation. Figure 3 presents the categories of family types that responded to the survey.

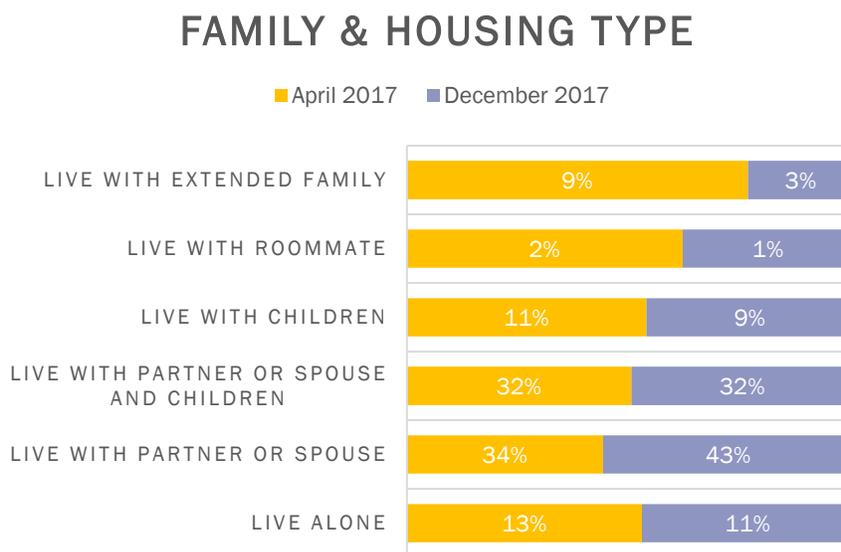


Figure 3: Family and housing type of respondent

As shown in Table 1, participants were asked where they stayed in the week following the fires. The majority stayed in a hotel, motel, or other rental that they individually paid for or an organization sponsored. The table below details the various locations respondents stayed just after the fires.

Table 1: Housing in the week following the fires

<i>Housing in the Week Following the Fires¹</i>	
<i>With family in the area</i>	19%
<i>With friends in the area</i>	16%
<i>Traveled out of town to stay with family/friends</i>	18%
<i>Hotel, motel, or chalet paid for by an organization</i>	20%
<i>Hotel, motel, or chalet that I paid for</i>	28%
<i>Other: shelter; campground; other property</i>	15%

Six months after the fires, many former homeowners were renting their primary residence. The data indicate that the same proportion of the sample who formerly owned their homes now do so one year after the fires. It is important to note that

¹ Some households stayed in multiple locations in the week following the wildfires, thus percentages do not add up to 100.

40% of the sample did not have homeowner’s or renter’s insurance at the time of the fires. By December of 2017, only 30% did not have homeowner’s or renter’s insurance.

Table 2: Comparison of primary residence

	November 2016	April 2017	December 2017
<i>Apartment, House, or Mobile Home- Own</i>	55%	18%	48%
<i>Apartment, House, or Mobile Home- Rent</i>	45%	78%	49%
<i>Unhoused</i>	0%	4%	3%

The reported median monthly housing price increased from the time of the fires to one year after. This is consistent with the reported increases in housing prices for the area². The median monthly housing cost in November 2016 was \$663; in April 2017, it rose to \$758, and then fell slightly to \$737.50 by April 2017. While a handful of respondents did not have to pay a security deposit at their new rental home, the median amount for a security deposit was \$500.

The preliminary report indicated particularly high rates of housing cost burden. According to the U.S. Department of Housing and Urban Development (HUD), a family paying more than 30% of monthly income for housing faces increased risk of being unable to afford food and other necessities for themselves and their families³. As households moved quickly into rental housing after the fires, it appears they had to spend more of their monthly income for housing. However, the average percent of income spent for housing had returned to a baseline level of 30% by December 2017.

Average Percent of Income Spent for Housing

November 2016: 27%

April 2017: 34%

December 2017: 30%

Financial Impact

Disruptions in work schedules and costly out of pocket expenses were commonplace for many families in the wake of the fires. Seventy percent reportedly worked full or part time at the time of the fires, and most had to take time away from work. Across the observation periods, the median amount of hours worked per week remained at 40.

Households were asked to report their monthly take-home pay for themselves and their spouses or partners if present. Over time, there was a reduction in the reported median monthly take-home. While we do not know if this is attributable to time taken away from work due to the wildfires, it may be the case that some workers took time

² Ohm, R. (2017). Gatlinburg affordable housing market struggles after fire. Retrieved from <https://www.knoxnews.com/story/news/local/tennessee/2017/01/04/gatlinburg-affordable-housing-market-struggles-after-fire/96103416/>

³ U.S. Department of Housing and Urban Development. (2017). Affordable housing. Retrieved from https://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/affordablehousing/

away from work following the fires in order to arrange their new lives. In Gatlinburg, the median household income was \$36,445⁴ in 2016. The sample for this study reported a median annual household income of \$18,000. Considering that respondents reported take home pay, as compared gross income reported at the City level, it is likely that respondents’ median household income was slightly higher. However, this sample was unequivocally lower resourced when compared to the population of Gatlinburg on the whole.

Median Monthly Household Income*

November 2016: \$1,500

April 2017: \$1,500

December 2017: \$1,325

Some families struggled with lower-incomes more than others. This is reflected in the response to the Financial Strain Index, where families have reported greater financial strain throughout the observation period. Table 3 below shows the extent to which households were unable to pay for food, bills, and housing both before and after the fires.

Table 3: Financial strain index of all households⁵

	<i>In year prior to wildfires</i>	<i>November 2016– April 2017</i>	<i>April 2017– December 2017</i>
<i>Could not afford food</i>	15%	22%	21%
<i>Could not afford to pay utilities</i>	11%	14%	22%
<i>Could not afford pay rent or mortgage</i>	13%	14%	21%

To better understand why individuals reported lower incomes and greater financial strain despite keeping work hours consistently at 40 over the duration of the study, we took a closer look the individuals who completed the survey in both April 2017 and December 2017 (N=53). The total household income for this group was a median of \$1,600 in November 2016, \$2,000 in April 2017, and \$1,500 in December 2017. It is possible that the increase in income seen in both the full sample and the smaller sample of participants of both surveys is due to the reporting of disbursements made by the Dollywood Foundation, as participants were not asked to disclose the source of their monthly take-home pay.

It is important to note that all figures related to housing and financial wellbeing of households were reported at the median. In other words, half of individuals earned below \$1,500 per month and half of individuals faced housing costs burdens above

⁴ These data were retrieved from the 2012–2016 American Community Survey 5-year estimate.

*Note: These figures include all respondents at the first and second observation periods.

⁵ The Financial Strain Index, used in social science research, was adapted from: Hamby, S., Turner, H. A., & Finkelhor, D. (2011). Financial strain index. Durham, NH: Crimes Against Children Research Center. doi: 10.13140/RG.2.1.2368.0161

34% in April 2017. The annual income needed to afford a 2-bedroom apartment in Sevier County without being housing cost burdened is approximately \$28,000⁶. It may be the case structural issues related to affordable housing stock and sufficient wages in Sevier County position some households to persistently experience financial precarity.

In April of 2017, seventy-four percent of respondents reportedly incurred out of pocket expenses related to the fires that were not covered by insurance. Nearly 50% of the sample reported out of pocket expenses in excess of \$5,000. As households contended with these unexpected expenses, they relied on a number of sources to cover them. Most commonly, people used their regular income (26%). About 25% used savings, while 16% used credit cards. Fourteen percent received gifts from family and friends with no expectation that they be repaid. Twelve percent received loans from family and friends that will need to be repaid. Other sources used to cover out of pocket expenses included retirement savings, payday loans, and bank loans.

One of the key findings of this report is that there was an increase in reported rates and amounts of savings at the first and second observation periods. Fifty-three percent of the sample had emergency savings set aside in April 2017. By December 2017, nearly 60% of the sample reported they had emergency savings. Table 4 below details the amount of savings that households reported in April 2017 and December 2017.

Table 4: Emergency savings amount

<i>Amount of savings</i>	<i>April 2017</i>	<i>December 2017</i>
<i>\$1-\$100</i>	2.1 %	0 %
<i>\$101-\$300</i>	2.1 %	0 %
<i>\$301 to \$500</i>	6.3 %	0 %
<i>\$500 to \$1,000</i>	10.4 %	5.0 %
<i>\$1,001 or more</i>	79.2 %	95.0 %

⁶ National Low Income Housing Coalition (2017). Out of reach: 2017 Tennessee. Retrieved from <http://nlihc.org/oor/tennessee>

Respondents were asked how confident they were in their ability to come up with \$1,000 in the next week in the event of an unforeseen expense like a car repair or medical bill. As shown in Figure 4, the percent of individuals who feel very confident in their ability to come up with cash in a pinch raised 7% points. However, the percent who were somewhat confident fell 7 points.

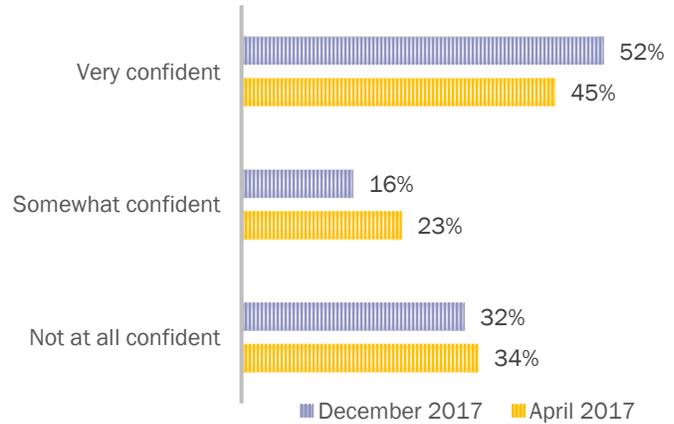


Figure 4: Confidence in coming up with \$1,000 in a week

Asked what resources they might use to cover this \$1,000 expense in April 2017, 22% would use regular income, 31% would use savings, 16% would use credit cards, 10% take a loan from friends or family, and the remainder would take a withdrawal from retirement savings, a bank loan, payday loan, or gift from family or friends. These figures were similarly reported in December of 2017. When compared to how individuals reportedly covered out of pocket expenses in the wake of the fires in November 2016, there are appreciable shifts. More individuals reportedly would use regular income or savings for a hypothetical emergency in the future than did draw on those resources to cover out of pocket expenses related to the fires.

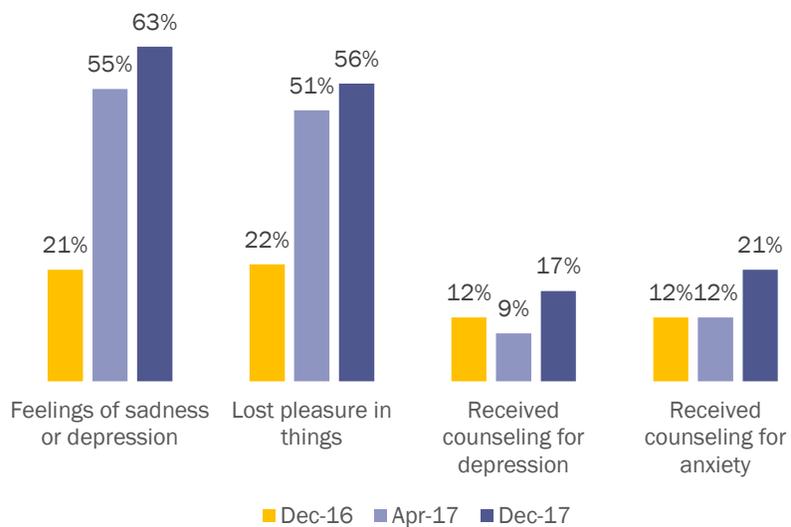
Table 5: Sources to come up with \$1,000 in a week

What sources might you use to come up with \$1,000 in the next week?	April 2017	December 2017
<i>Regular income</i>	22%	18%
<i>Savings account</i>	31%	29%
<i>Credit Card</i>	16%	17%
<i>Payday loan</i>	3%	2%
<i>Bank loan</i>	2%	5%
<i>Gifts from friends/family</i>	4%	4%
<i>Loans from friends/family</i>	10%	12%
<i>Retirement savings</i>	7%	6%
<i>Other</i>	0%	6%

Physical and Emotional Health

Respondents shared details of their physical and emotional health both before and after the wildfires. While 26% reported that they had significant health problems prior to the fires, just over 33% indicated that they did so after. Over one quarter of respondents reported that they had developed breathing or pulmonary problems as a result of the fires. A nontrivial portion of respondents indicated substantial mental or emotional health problems after the fires. Figure 5 details the percentage of respondents who reportedly had symptoms of anxiety and depression and those who sought treatment. At the first wave of data collection, which asked individuals to reflect on their mental health both before and shortly after the fires, there was a considerable increase in reported symptoms of depression and anxiety. Just over 20% indicated they had feelings of sadness or depression or loss of pleasure in things they once enjoyed that lasted more than two weeks before the fires. After the fires, over half of the sample indicated they experienced these symptoms. Similar rates were reported during the second observation period in December 2016.

From these figures, it is clear that the wildfires not only wreaked havoc on property and finances, but also in the emotional lives of survivors. Dealing with such traumatic loss, 17% of survivors indicated they had received counseling for depression following the fires, and 21% indicated they had received counseling for anxiety.



These feelings of sadness and loss are also reflected in reported self-efficacy of respondents. Table 6 shows the percentage of respondents who agreed or strongly agreed with statements related to an internal or external locus of control and hopefulness for the future. Overall, respondents in the second observation reported greater sense of control of their own lives and hopefulness for the future. However, there remain a sizeable number of respondents who are struggling to regain an internal locus of control and feel they are up against significant external obstacles.

Figure 5: Reported mental health symptoms and treatment-seeking behavior

Table 6: Pearlin Mastery Scale⁷

	April 2017	December 2017
<i>Sometimes I feel that I am being pushed around in my life.</i>	37%	26%
<i>There is really no way I can solve some of the problems I have.</i>	42%	40%
<i>I have little control over the things that happen to me.</i>	37%	22%
<i>I often feel helpless in dealing with the problems in life.</i>	34%	30%
<i>What happens to me in the future depends on me.</i>	88%	88%
<i>There is little I can do to change many of the important things in my life.</i>	22%	25%

Sources of Support

To mitigate the impact of financial hardship and accompanying physical and emotional struggles, social networks and community resources are an essential source of support. When asked what type of support was most helpful in the days following the fires, 61% said cash donations followed by item donations (27%), and emotional support (12%). Respondents indicated they received the most financial support from friends and family, as well as community agencies and charities. The primary source of item donations were from family and friends, followed by local charities and organizations and community members. Finally, households said they received the most emotional support from their families.

Most participants appear to have very strong sources of familial and community support in the area that have not waned over time. When asked how much help they could expect if they had a problem like sickness or moving, 61% said that family would provide all or some of the help needed. Nearly 75% said friends would provide all or some of the help needed in April 2017, though only 67% reported that friends would provide that support in December 2017; and, over 50% reported that a community resource like a social agency or church would provide some or all of the help needed at both the first and second observation periods.

Conclusion

The purpose of this evaluation was to determine if and to what extent recipients of the My People Fund disbursements experienced positive impacts in their social, emotional, physical, financial lives. Most participants reported a consistent amount of support from a combination of resources through family, friends, and community entities, with a clear majority (61%) finding cash assistance as the most helpful form of support. This finding holds implications for future research on the efficacy of direct cash assistance as a preferred method of disaster relief in more generalizable contexts.

Findings regarding emotional and physical wellbeing indicate that in addition to causing damages to finances and housing stock, surviving traumatic disasters like a

⁷ The Pearlin Mastery Scale is a widely used instrument to measure self-efficacy and hope for the future. Additional documentation is available from: Pearlin, L. I., & Schooler, C. (1978). The structure of coping. *Journal of Health and Social Behavior*, 19(1), 2-21.

wildfire can have substantial impacts on anxiety, depression, and sense of loss of control that may persist well after housing and finances are restored. Future research may seek to explore the possible association reduction of financial burden has on the levels of anxiety, depression, and sense of loss of control experienced by disaster survivors.

Following the monthly disbursements of unconditional cash assistance, participants were able to return to baseline financial stability reported prior to the wildfire, and improve their ability to set aside savings for hypothetical future emergencies. Future research may aim to assess cash assistance recipients' abilities to prepare for and recover from future natural disasters in regions that are prone to periodic wildfires or other recurrent natural disasters.

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